

BEFORE THE STATE OF SOUTH CAROLINA
DEPARTMENT OF INSURANCE


In the Matter of:)	
)	
Casualty Reciprocal Exchange,)	Order of Revocation
In Liquidation)	of Certificate of Authority
)	
Post Office Box 219658)	
Kansas City, Missouri 64121-9658.)	
_____)	

This matter comes before me pursuant to the recommendation of the Division of Financial Services of the Department. On August 18, 2004, the Circuit Court of Cole County, Missouri issued a Judgment, Decree and Order of Liquidation with Finding of Insolvency against Casualty Reciprocal Exchange, which is domiciled within the State of Missouri. Based on this information, I have determined Casualty Reciprocal Exchange to be in an unsound condition and its further proceedings to be hazardous to the public and its State of South Carolina policyholders.

S.C. Code Ann. § 38-5-120(A) (1976, as amended) requires "(t)he director or his designee of the State of South Carolina Department of Insurance shall revoke or suspend certificates of authority granted to an insurer and its officers and agents if he is of the opinion upon examination or other evidence" that "(t)he insurer is in an unsound condition" or "(t)he insurer's condition renders its proceedings hazardous to the public or to its policyholders." S.C. Code Ann. § 38-5-120(B) (1976, as amended) goes on to require that "(n)o new business may then be done by the insurer or its agents in this State while the default or disability continues nor until its authority to transact business is restored by the director or his designee."

It is, therefore, ordered that the Certificate of Authority of Casualty Reciprocal Exchange to transact insurance business within the State of South Carolina should be, and is hereby, revoked. No new business may be transacted by Casualty Reciprocal Exchange within this State. A copy of this Order of Revocation must be transmitted by the Department of Insurance to the National Association of Insurance Commissioners for its distribution to its member states, and it must be published in newspapers of general, Statewide circulation. Further, all licensed State of South Carolina resident and non-resident insurance producers of Casualty Reciprocal Exchange must be given notice by the Department of Insurance, by regular mail, of this Order of Revocation, and no new licenses or appointments may be issued by the Department to producers of Casualty Reciprocal Exchange.

This order becomes effective upon the date of my signature below.


Gwendolyn L. Fuller McGriff
Deputy Director of Insurance
and General Counsel

August 20, 2004 at
Columbia, South Carolina.